REMARKS

Upon the filing of the enclosed Request for Continue Examination (RCE), reconsideration of this application is respectfully requested in view of the the foregoing amendment and the following remarks.

Claims 1-19, 22-33, 42-74, and 89-97 are currently pending in the application and subject to examination, of which Claims 1, 42, 89, 93, and 97 are independent claims. Claims 1, 89 and 93 have been amended. The amendments made to these claims are supported in the specification at, for example, page 79, lines 6-8, and no new matter has been introduced.

In the Office Action mailed June 18, 2007, the Examiner maintained his former position that Claims 1-4, 6-12, 13-19, 22, 24-33, 42-45, 48-62, 64-74, 86-89, 91-93, and 95-97 were rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over US Patent No. 4,985,697 to Boulton ("Boulton"), in view of US Patent No. 5,663,757 to Morales ("Morales"), and further in view of U.S. Published Application No. 2005/0144133 to Hoffman ("Hoffman"), and Claims 5, 38, 46, 79, 90, and 94 were rejected as being allegedly unpatentable over Boulton in view of Morales, further in view of Hoffman and further in view of US Patent No. 5,014,125 to Pocock et al. ("Pocock").

In the Office Action, the Examiner alleged that, as per Claims 1-3, 9, 13, 14, 19, 25-27, 29-33, 42-45, 50, 54, 55, 60, 66-68, 70-74, 89, 91, and 97, Boulton fails to disclose a request to purchase but Morales disclose a request to purchase the selected product or service (col. 4, lines 15-26) and performing a transaction to execute the purchase request. The Examiner further alleged that neither Boulton nor Morales discloses presenting an identification of a product or service but Hoffman disclose

presenting associated with the electronic book an identification of a product or service (page 14, [0184], lines 10-15); receiving from the user an offered price for the product or service, determining whether to accept the offered price; and selectively transmitting an indication of an acceptance of the offered price based upon determining, wherein the determining step includes determining whether to accept the offered price based on the amount of the offered price. The Examiner went on alleging, at page 7 of the Office Action, in replying to the Applicant's previous response, that Hoffman discloses the "use of services that track the pages of an electronic book and <u>obviously</u>, a fee is charged for using this service." Applicants respectfully disagree.

With regards to the rejection of independent Claim 1, now amended, Applicants respectfully submit that none of Boulton, Morals, and Hoffman, when taken singly or in combination, teaches or suggests receiving from the user an offered price for this service, determining whether to accept the offered price; selectively transmitting an indication of an acceptance of the offered price based upon the determining, and receiving from the user one or more new offered prices if the offered price is not acceptable based upon the determining, wherein the determining step includes determining whether to accept the offered price based upon at least one of the following criteria: an amount of the offered price, any available rebates relating to the selected product or service, or a range of acceptable prices for the selected product or services, as recited in amended Claim 1

The Applicants submit that Hoffman does not disclose or suggest charging a fee for the service or product associated with an electronic book. As described in paragraph [0184], Hoffman merely describes that additional Rule Modules can track

how many pages of the electronic book have been displayed and can retain a bookmark for the most recently read page. Hoffman does not describe whether a charge will be applied by using such function. Indeed, Hoffman merely teaches a tokenless biometric system for processing electronic transmissions, which limits or provides access to various accounts based upon a determining whether a biometric sample directly taken from the user corresponds to biometric data for authorized users that is previously registered. (See Hoffman, Abstract.) The Examiner asserted that charging such a fee is <u>obvious</u>. However, as Hoffman merely focuses on identifying a user who intends to access a database and mentions nothing about purchase transactions, it is submitted that it would not have been <u>obvious</u> for one skilled in the art to apply charging a fee to Hoffman's system.

Although Hoffman describes determining access for a user to take classes or download music, neither of these services includes presenting a product or service associated with an electronic book. Hoffman does teach the biometric device tracking the pages of an electronic book that have been displayed. However, even if Hoffman may be characterized as disclosing a service associated with an electronic book, Hoffman does not disclose or suggest receiving from the user an offered price for this service, determining whether to accept the offered price; selectively transmitting an indication of an acceptance of the offered price based upon the determining, and receiving from the user one or more new offered prices if the offered price is not acceptable based upon the determining, wherein the determining step includes determining whether to accept the offered price based upon at least one of the following criteria: an amount of the offered price, any available rebates relating to the selected

product or service, or a range of acceptable prices for the selected product or services, as recited in amended Claim 1.

In addition, the Office Action cites to claims 38-42 of Hoffman as teaching receiving from the user an offered price, and selectively transmitting an indication of acceptance of the offered price based upon determining, wherein the determining step includes determining whether to accept the offered price based on the amount of the offered price. However, claims 38-42 merely relate to determining whether a user is authorized to have access to an account based on a biometric sample taken from the user and based on whether the desired transaction does not go beyond a transaction parameter limit. Again, Hoffman at the referenced citation merely teaches allowing or denying access based on user authorization, rather than receiving an offered price for a product or service that is presented in association with an electronic book, and determining whether to accept the offered price, as recited in amended Claim 1.

Furthermore, Boulton relates to a method for compiling and presenting educational material on an electronic book. The electronic book uses analog storage on a magnetic tape that stores textual material of a book in the form of encoded analog signals. Morales relates to a two way interactive communication video system. A subscriber participation is done from an armchair by flicking a finger without interrupting the viewing of program materials, without telephone lines or writing implements. As admitted by the Examiner, neither Boulton nor Morales discloses presenting an identification of a product or service. The Examiner, however, relied on Hoffman to provide such feature. From the foregoing reasons, however, it is clear that none of Boulton, Morals, and Hoffman, when taken singly or in combination, teaches or

suggests receiving from the user an offered price for this service, determining whether to accept the offered price; selectively transmitting an indication of an acceptance of the offered price based upon the determining, and receiving from the user one or more new offered prices if the offered price is not acceptable based upon the determining, wherein the determining step includes determining whether to accept the offered price based upon at least one of the following criteria: an amount of the offered price, any available rebates relating to the selected product or service, or a range of acceptable prices for the selected product or services, as recited in amended Claim 1.

For at least this combination of reasons, Applicants submit that amended Claim 1 is allowable over the cited art. As claim 1 is allowable, Applicants submit that claims 2-4, 6-8, 10-12, 15-19, 22, 24-27, and 30-33, which depend from allowable amended Claim 1, are likewise allowable for at least the reasons set forth above for amended Claim 1.

Amended independent Claims 89 and 93 includes similar features of amended Claim 1, as described above. For similar reasons as for amended Claim 1, the Applicants submit that amended Claims 89 and 93 are likewise allowable.

As amended Claims 89 and 93 are allowable, Applicants submit that Claims 90-92, 95-96, which depend from allowable amended Claims 89 and 93, are likewise allowable for at least the reasons set forth above for amended Claims 89 and 93.

With regards to the rejection of independent Claims 42 and 97, the Applicants submit that none of Boulton, Morales, and Hoffman, when taken singly or in combination, discloses or suggests an apparatus for providing electronic commerce using an electronic book, including at least a presentation module for presenting

associated with the electronic book an identification of a product or service, wherein the identification of a product or service is displayed as one of an inset image within the displayed electronic book, an overlayed image on the displayed electronic book, or in place of the displayed electronic book, as recited in Claim 42. Moreover, none of Boulton, Morales, and Hoffman, when taken singly or in combination, describe or suggest a method for providing electronic commerce using an electronic book, comprising displaying an electronic book, presenting associated with the electronic book an identification of a product or service, wherein the identification of a product or service is displayed as one of an inset image within the displayed electronic book, an overlayed image on the displayed electronic book, or in place of the displayed electronic book, receiving a user selection of the product or service and a request to purchase the selected product or service; and performing a transaction to execute the purchase request, as recited in Claim 97.

The Office Action asserts that Boulton teaches displaying an electronic book and receiving a user selection of the product or service, citing Fig 1, element 156 and Figure 8. The Applicants note that Figure 1 is merely a block diagram of the software, and does not include an element 156. Element 156 is the display in Figure 10, which does not disclose or suggest this feature. In addition, Figure 8 merely shows an electronic book display including an LCD screen (118), a keyboard (122), a page counter (124), and a cassette player (114) that houses a cassette (116). As described in Boulton's abstract, the electronic book of Boulton uses analog storage on a magnetic tape. There is no indication in Boulton that the electronic book has the capability of receiving a

user's selection of the product or service and a request to purchase the selected product or service, as recited in Claims 42 and 97.

As admitted by the Examiner, neither Boulton nor Morales discloses presenting an identification of a product or service. Furthermore, as described above with reference to Hoffman, Hoffman also fails to representing an identification of a product or service, wherein the identification of a product or service is displayed as one of an inset image within the displayed electronic book, an overlayed image on the displayed electronic book, or in place of the displayed electronic book. Hoffman also fails to teach or suggest a receive module for receiving a user's selection of the product or service and a request to <u>purchase</u> the selected product or service; and an execution module for performing a transaction to <u>execute the purchase request</u>, as recited in Claim 42, and receiving a user selection of the product or service and a request to <u>purchase</u> the selected product or service is an an execution to <u>execute the purchase</u> the selected product or service and a request to <u>purchase</u> the selected product or service; and performing a transaction to <u>execute the purchase</u> request, as recited in Claim 97.

Accordingly, the combination of Boulton, Morales, Hoffman fails to teach or suggest <u>each</u> and <u>every</u> element of Claims 42 and 97. Therefore, it would not have been obvious for one skilled in the art to easily combine these three references to achieve the apparatus and method of Claims 42 and 97.

For at least this reason, Applicants submit that claims 42 and 97 are allowable over the cited art. As claim 42 is allowable, Applicants submit that claims 43-53, 56-63, 65-68, and 70-74, which depend from allowable claim 42, are likewise allowable for at least the reasons set forth above for claim 42.

CONCLUSION

For all of the above reasons, it is respectfully submitted that the claims now pending patentability distinguish the present invention from the cited references.

Accordingly, reconsideration and withdrawal of the outstanding rejections and an issuance of a Notice of Allowance are earnestly solicited. Should the Examiner determine that any further action is necessary to place this application into better form, the Examiner is encouraged to telephone the undersigned representative at the number listed below.

In the event this paper is not considered to be timely filed, the Applicants hereby petition for an appropriate extension of time. The fee for this extension may be charged to our Deposit Account No. 01-2300. The Commissioner is hereby authorized to charge any fee deficiency or credit any overpayment associated with this communication to Deposit Account No. 01-2300 with reference to docket number 026880-00011.

Respectfully submitted.

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